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27 December 1955

Memorandum of Tel. Conversation with Ch/C

Subject: Agency Position for EDAC WG III Meeting, Wed. 28 Dec 55

1. I discussed subject meeting today with Ch/C and we agreed that I would take the following positions:

- (a) Re State draft paper on Economic Penetration Action Responsibilities:

This paper is supposed to be ready for the meeting tomorrow. Drafters Marie Young and Gus Tuckerman. Expected to reflect old line State view that WG III is not a suitable forum to take some policy decisions and implement action in counter Economic Penetration cases.

Ch/C says he has discussed this subject with DD/I who says that he considers ICA the agency with the responsibility in this field, and that we are witnessing a State-ICA internal dispute.

Ch/C agrees with my proposal that we try to have any paper tabled for one meeting so we can consider it within the Agency. Ch/C directs no reference to a DCN type action coordinating mechanism, saying DD/I thinks OCB has capabilities here. Also for same reason no suggestion (as made by Ch/C at last meeting) that CTEP might be suitable.

- (b) Re Requested Action Agency Positions on Their Responsibilities in Implementing an Emergency Action Program for Economic Warfare:

Ch/C concurs with my suggestion that we merely listen to reports from action agencies. It is too early to expect a clear set of conclusions which will integrate and coordinate the activities of the agencies as a single entity. Therefore we can say in general that we have studied aspects of the problem and are prepared to respond with intelligence support to whatever mechanisms may evolve from these discussions; however we need indications of the extent, nature, etc. of support to be required from us.

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